

**IOWA RACING AND GAMING COMMISSION
MINUTES
AUGUST 18, 2016**

The Iowa Racing and Gaming Commission (IRGC) met on Thursday, August 18, 2016 at Grand Falls Casino Resort, LLC (GFCR) in Larchwood, Iowa. Commission members present were Rich Arnold, Chair; Kris Kramer, Vice Chair; and members Carl Heinrich and Jeff Lamberti. Commissioner Dolores Mertz was absent.

Chair Arnold called the meeting to order at 8:30 AM, and requested a motion to approve the agenda. Commissioner Heinrich moved to approve the agenda as presented. Commissioner Kramer seconded the motion, which carried unanimously.

Chair Arnold moved to the Welcome. Sharon Hasselhoff, General Manager of GFCR, welcomed the Commission to Larchwood. She noted the property opened five years ago, and besides the casino, has a hotel, indoor and outdoor pools, three restaurants, a spa, boutique shop, gift shop, an event center that is used for concerts, business meetings and social events, and a Rees Jones golf course that opened in 2015. She thanked the Commission for the privilege of having the gaming license. Ms. Hasselhoff advised that during the five years of operation, GFCR has contributed over \$72 million to the State of Iowa in taxes and fees, over \$8 million to Lyon County in gaming and property taxes, and over \$11 million to the Lyon County Riverboat Foundation (LCRF). She stated the casino has 500 employees; noting Lyon County has the lowest unemployment rate in the state. She advised Sioux Falls, South Dakota also has one of the lowest unemployment rates in the country at 2.1%; making it difficult to find and keep employees. Ms. Hasselhoff stated 130 employees have been with the facility since it opened. She advised employees receive great benefits and benefit from the family atmosphere of the property. She introduced Jeff Gallagher, President of LCRF.

Mr. Gallagher also welcomed the Commission to GFCR. He noted GFCR has been an excellent facility for the county, the people and the area as a whole. Mr. Gallagher stated that since the fall of 2011 when LCRG gave out its first grant, they have distributed over \$11 million to the people of Lyon County and the surrounding counties. The funds have helped bring to fruition day care centers, swimming pools, community centers, fire houses, as well as numerous grants for safety equipment for various fire departments. He noted during the last distribution, funds were given to a young man to help him complete a Veterans Memorial Wall in Rock Rapids, which helped him earn his Eagle Scout Badge. Mr. Gallagher thanked the Commission for their decision to grant a license to Lyon County.

Chair Arnold moved to the approval of the minutes. Commissioner Kramer moved to approve the minutes from the July 14, 2016 Commission meeting as submitted. Commissioner Heinrich seconded the motion, which carried unanimously.

Chair Arnold called on Brian Ohorilko, Administrator of IRGC, for announcements. Mr. Ohorilko provided the following information regarding future Commission meetings:

- September – No Meeting
- October 13, 2016 – Rhythm City Casino, Davenport (Submissions due by September 29, 2016)
- November 17, 2016 – Honey Creek Resort, Moravia (Submissions due by November 2, 2016)
- December – No Meeting
- January 5, 2017 – Isle Casino Hotel Waterloo, Waterloo (Submissions due by December 21, 2016)

Mr. Ohorilko introduced Wayne Palmer, IRGC Gaming Representative assigned to GFCR and thanked him for his work.

Chair Arnold moved to the review of the financial audit for the three Isle of Capri properties – Isle of Capri Bettendorf, L.C., Isle of Capri Marquette, Inc. and IOC Black Hawk County, Inc. Laurie Fisher, Director of Finance at Marquette, Sally Rogers and Grant Gubbrud, Senior Director of Finance at Bettendorf and Waterloo respectively, were present to answer any questions. Ms. Fisher stated the combined Isle properties had a clean financial audit, and reinvested approximately \$45 million back into the three properties during FY 16. The largest project was the Bettendorf hotel renovation and new land-based facility.

Chair Arnold moved to contract approvals and called on Riverside Casino & Golf Resort, LLC (RCGR). Dan Franz, General Manager, presented the following contracts for Commission approval:

- Farmers Brothers Co. – Beverage Purchase Agreement
- Global Payments Gaming Services, Inc. – Cash Advance; Credit/Debit Card Processing Revenue Agreement
- Global Payments Gaming Services, Inc. – Check Guarantee Agreement
- US Bank d/b/a Ultron Processing Services – ATM Revenue Agreement

Hearing no comments or questions concerning the contracts, Chair Arnold requested a motion. Commissioner Lamberti moved to approve the contracts as submitted by RCGR. Commissioner Heinrich seconded the motion, which carried unanimously.

Chair Arnold called on GFCR. Ms. Hasselhoff presented the following contracts for Commission approval:

- Brockway Mechanical & Roofing – Multistack Repair (RP)
- Global Payments Gaming Services, Inc. – Cash Advance; Credit/Debit Card Processing Revenue Agreement
- Global Payments Gaming Services, Inc. – Check Guarantee Agreement
- US Bank d/b/a Ultron Processing Services – ATM Revenue Agreement

Hearing no comments or questions concerning the contracts, Chair Arnold requested a motion. Commissioner Kramer moved to approve the contracts as submitted by GFCR. Commissioner Lamberti seconded the motion, which carried unanimously.

Chair Arnold called on Rhythm City Casino, LLC (RCC). Ms. Hasselhoff presented the following contracts on behalf of RCC for Commission approval:

- Global Payments Gaming Services, Inc. – Cash Advance/Debit Card Processing Revenue Agreement
- Global Payments Gaming Services, Inc. – Check Guarantee Agreement
- One Neck IT – Computer Network Upgrades
- US Bank d/b/a Ultron Processing Services – ATM Revenue Agreement

Hearing no comments or questions concerning the contracts, Chair Arnold requested a motion. Commissioner Heinrich moved to approve the contracts as submitted by RCC. Commissioner Kramer seconded the motion, which carried unanimously.

Chair Arnold called on Dubuque Racing Association, Ltd (DRA). Jesús Avilés, President, introduced Brian Rakestraw and David Esau, Assistant General Manager and Director of Table Games, respectively, for Mystique Casino. Mr. Avilés presented the following contracts for Commission approval:

- Imagine This, Inc. – Promotional Gifts and Items
- Nu Concepts, Inc. – Entertainment Booking Agency
- O'Connor & Thomas, P.C. – Legal Fees
- The Lamar Companies – Outdoor Billboard Advertising
- The Printer, Inc. – Direct Mail and Printing Services

Hearing no comments or questions concerning the contracts, Chair Arnold requested a motion. Commissioner Kramer moved to approve the contracts as submitted by DRA. Commissioner Lamberti seconded the motion, which carried unanimously.

Chair Arnold called on Diamond Jo Worth, LLC d/b/a Diamond Jo Worth (DJW). Kim Pang, General Manager, presented the following contracts for Commission approval:

- Eagle Promotions – Event Merchandise Giveaways/Marketing Promotions
- Global Payments Gaming Services, Inc. – Check Guarantee Service
- Reliable Technology, Inc. – Purchase of Computer Hardware and Networking Components
- Sysco Food Services of Iowa – Purchase of Food and Paper Supplies
- W.W. Grainger – Miscellaneous Hardware, Parts, Tools, and Supplies

Hearing no comments or questions concerning the contracts, Chair Arnold called for a motion. Commissioner Heinrich moved to approve the contracts as submitted by DJW. Commissioner Kramer seconded the motion, which carried unanimously.

Chair Arnold called on SCE Partners, LLC d/b/a Hard Rock Hotel & Casino Sioux City (HRHCSC). Todd Moyer, General Manager, presented the following contracts for Commission approval:

- Buzz Creative Group, LLC – Marketing Agency (RP)
- Game Changing Technologies, Inc. – Software License
- William Morris Endeavor Entertainment, LLC (WME) – Talent Agent

Hearing no comments or questions concerning the contracts, Chair Arnold requested a motion. Commissioner Lamberti moved to approve contracts as submitted by HRHCSC. Commissioner Kramer seconded the motion, which carried unanimously.

Chair Arnold called on Catfish Bend Casinos II, LLC (CBC). Rob Higgins, General Manager, presented the following contracts for Commission approval:

- Global Payments, Inc. – Kiosk Maintenance Contract
- CS3 Technology – Purchase of Payroll and HR Software

Hearing no comments or questions concerning the contracts, Chair Arnold requested a motion. Commissioner Heinrich moved to approve the contracts as submitted by CBC. Commissioner Kramer seconded the motion, which carried unanimously.

Chair Arnold called on Ameristar Casino Council Bluffs, LLC (Ameristar). Monty Terhune, General Manager, presented a contract with Marnell Architecture for the remodel design for the hotel, sports bar and 3rd deck casino bar for Commission approval.

Hearing no comments or questions concerning the contract, Chair Arnold requested a motion. Commissioner Kramer moved to approve the contract as submitted by Ameristar. Commissioner Heinrich seconded the motion, which carried unanimously.

Chair Arnold noted a rule was recently passed requiring all contracts in place for five years to be re-evaluated and re-submitted for Commission approval. The intent of the rule was that the facilities would take the opportunity to determine if there were new vendors or Iowa vendors that could provide the services or products.

Chair Arnold called on Isle of Capri Marquette, Inc. d/b/a Lady Luck Casino Marquette (LLCM). Don Ostert, General Manager, presented the following contracts for Commission approval:

- Alpine Communications – Telephone Service
- Brenton Buildings – Remodel/Repair of Pavilion – Roof, Siding and Buffet

- Cummins-Allison Corporation – Cash/Ticket Counter
- Farmer Brothers Company – Beverage Service
- Franklin Street Floral & Gifts – Alcohol Beverage Supplier
- G&K Services Co. – Laundry Services
- IC&E Railroad – Land Rental Fees
- M&D Inc. – Painting Vessel; Electrical Inspection and General Maintenance
- Mediacom, LLC – TV and Wireless Services
- Microtel Inn & Suites – Guest Lodging
- NRT Technology Corp. – E-Ticket/Cash Redemption Machine Services
- Per Mar Security Research Corp. – Security System Services
- Plunkett's Pest Control, Inc. – Exterminator Services
- Randy Schneider Distributing – Food and Dairy Products
- Reinhart Food Service, LLC – Food Supplier
- Schilling Supply Company – Cleaning Supplies
- Schumacher Elevator Company – Elevator Service/Maintenance
- United Beverage, LLC – Beverage Supplier
- Verizon Wireless – Telephone Services

Hearing no comments or questions concerning the contracts, Chair Arnold requested a motion. Commissioner Lamberti moved to approve the contracts as submitted by LLCM. Commissioner Kramer seconded the motion, which carried unanimously.

Chair Arnold called on Harveys Iowa Management Co., Inc. (Harrah's). The following contracts were considered for Commission approval:

- Absolutely Fresh Seafood – Purchase of Seafood
- American Airlines – Business Travel & Customer Travel
- Andersen Construction Co. – Construction Vendor
- Barking Dogs LTD (Concert Security Services) – Concert Production Services & Labor
- C3 Presents (d/b/a Charles Attal Presents) – Entertainment Programming Services
- Cintas Corporation – Uniforms
- Cummins-Allison Corp. – Currency Counting Equipment & Maintenance
- D & D Communications – Radio Equipment & Services
- D & B Construction, Inc. – Construction Vendor
- Doll Distributing – Beverage Products
- Ecolab Incorporated – Pest Control
- EGADS (Electronic Gizmos & Display Systems) – Slot Signage
- Global Surveillance Associates – Surveillance Equipment & Maintenance
- Grainger – Maintenance & Slot Tech Supplies
- Graphic Controls, LLC – Slot Machine Ticket Vendor
- Hockenberg's – Food & Beverage Equipment
- Iowa Wine & Beverage (Johnson Brothers) – Wine Purchases
- J & R Liquors – Liquor Purchases

- Liberty Fruit Company, Inc. – Food Supplier
- Loffredo Fresh Produce – Food Supplier
- NRT Technology Corp. – Maintenance of Self-Redemption Kiosks
- Olson Brothers Construction – Construction Vendor
- OS Sales/Omaha Steaks – Meat Supplier
- Otis Elevator Company – Elevator Maintenance & Repairs
- Pegler Sysco – Food Supplier
- Pepsi Bottling Group – Beverage Supplier
- Pinnacle Construction, Inc. – Construction Work
- Premier Midwest – Beverage Products
- Rotella's Italian Bakery – Breads & Other Baked Goods Supplier
- RR Donnelley – Printing of Direct Mail
- Standard Textiles – Blankets & Linens for Hotel Rooms
- Staples – Office Supplies
- Terracon Consultants, Inc. – Testing of Rubble Dump
- The Printer, Inc. – Printing of Direct Mail
- United Airlines – Business Travel & Customer Travel
- US Bank d/b/a Ultron Processing Services – Provides ATMs for Facility
- US Foodservice, Inc. – Food Supplier
- Waste Management – Waste Disposal
- Xerox Corp. – Copy & Print Services

Hearing no comments or questions concerning the contracts, Chair Arnold requested a motion. Commissioner Lamberti moved to approve the contracts as submitted by Harrah's. Commissioner Heinrich seconded the motion, which carried unanimously.

Chair Arnold called on Iowa West Racing Association d/b/a Horseshoe Casino/Bluffs Run (HC/BR). The following contracts were considered for Commission approval:

- Andersen Construction Co. – General Construction
- Arrow Stage Lines d/b/a Busco – Charter Service
- Burton Plumbing – Emergency Plumbing Services
- C3 Presents (Charles Attal Presents) – Entertainment Programming Services
- CB Lodging d/b/a Springhill Suites – Lodging for Patrons
- Cintas Corporation – Uniforms
- Country Inn & Suites – Hotel Accommodations for Guests
- Cummins-Allison Corp. – Equipment Repairs/Maintenance
- D & B Construction, Inc. – Construction Work
- D & D Communications – Radio Systems & Equipment
- Doll Distributing – Alcoholic Beverages Distributor
- Ecolab Incorporated – Pest Control
- EGADS (Electronic Gizmos & Display System) – Slot Signage
- Global Surveillance Associates – Surveillance Equipment & Maintenance

- Grainger – Maintenance & Slot Tech Supplies
- Graphic Controls, LLC – Slot Machine Ticket Vendor
- H. Olafsson – Int'l Specialty Foods – Specialty Items for Bakery
- Hockenberg's – Miscellaneous Kitchen Items
- J & R Liquors – Liquor Purchases
- Iowa Wine & Beverage (Johnson Brothers) – Wine/Beverage Vendor
- Kineth Hospitality Co. d/b/a 23rd Street Hotel – Hotel Accommodations
- Liberty Fruit Company, Inc. – Food Supplier
- Loffredo Fresh Produce – Fresh Produce & Seafood Supplier
- Nebraska Furniture Mart – Furniture Vendor
- NRT Technology Corp. – Self-Redemption Kiosk Repair & Maintenance
- Olson Brothers Construction – Construction Work
- Paramount Linen & Uniform – Linen & Uniform Cleaning Service
- Pegler Sysco – Food Distributor
- Pepsi Bottling Group – Beverage Supplier
- Pinnacle Construction, Inc. – Construction Work
- Road Show Logistics – Automobile Vendor used for Marketing Promotions
- Rotella's Italian Bakery – Breads & Other Baked Goods
- RR Donnelley – Printing of Marketing Material
- Sapp Brothers Truck Stop – Fuel for Vehicles
- Schindler Elevator Corporation – Elevator Maintenance
- Southern Glazer's of IA – Wine/Spirits Vendor
- Staples – Office Supplies
- The Printer, Inc. – Direct Mail Services
- US Bank d/b/a Ultron Processing Services – Provides ATMs for Facility
- US Foodservice, Inc. – Food Vendor
- Waste Management – Waste Disposal
- Xerox – Copy & Print Services

Hearing no comments or questions concerning the contracts, Chair Arnold requested a motion. Commissioner Lamberti moved to approve the contracts as submitted by HC/BR. Commissioner Kramer seconded the motion, which carried unanimously.

Chair Arnold called on Prairie Meadows Racetrack & Casino, Inc. (PMR&C). Gary Palmer and Derron Heldt, General Manager and Director of Racing respectively, were present to address the agenda items.

Mr. Heldt advised the thoroughbred meet was a challenge this year due to an outbreak of equine herpes in Nebraska. Prior to the horses being diagnosed in Nebraska, 50 horses had shipped in and were on the backside along with some other horses. PMR&C ended up with 150 horses in restricted barns, which meant they could not train with the general population, and required additional security for the workers and caretakers of the horses. Owners and trainers that were to ship horses in from other parts of country were hesitant to do so even though PMR&C was not in

quarantine status and did not have any horses that had been diagnosed with equine herpes. Mr. Heldt stated when the thoroughbred meet started, instead of having close to 1,200 horses, there were 900. The quarantined horses were not available to run for the first 21 days of the meet. He stated there were approximately 10 race days when they did not run nine races per day. Mr. Heldt advised on-track and off-track handle was down approximately 15%. He noted the facility tried different post times this year, which also affected the handle, particularly on Saturdays. Mr. Heldt noted when the season ended on August 13th, the field size had gained some momentum as did the handle, but they were not able to make up the deficit from the first three weeks.

Mr. Heldt stated PMR&C averaged 2.7 races per day for Iowa-breds, which is an increase from previous years. He stated there were 93 Iowa-bred horses that were foaled and raised in the state and ran in open company, which is also an increase from previous years. Mr. Heldt noted this is an indicator of the quality of horses that are being bred and raised in the state.

Mr. Heldt stated the Festival of Racing was held the last week of June and the first weekend of July. Six horses were flown in from California, and two were trained by National Hall of Fame trainers. The horse, American Dream, won the Iowa Derby, then went back to the East Coast and ran in a \$1 million race and finished second to the Kentucky Derby winner, and the horse that won was the Preakness winner. He noted jockeys are coming from all over the country to ride at PRM&C.

PMR&C held the Hall of Fame induction on August 12th, and the 13th was Iowa Classic Day. There were 11 races for restricted Iowa-bred horses, and seven stakes races. Four of those races had purses of \$100,000, which was the first time Iowa-breds could run for a \$100,000 purse.

Mr. Heldt advised the quarter horse meet will commence on Saturday, August 20th, and entries are being taken today. He indicated the backside is working through the transition; there are approximately 500 thoroughbreds left on the backside, and approximately 200-300 quarter horses. They are expecting another 250-300 for a total of approximately 550 quarter horses. Races will be held on Friday, Saturday and Sunday.

Mr. Palmer presented the following contracts for Commission approval:

- Armstrong Systems and Consulting – Prairie Gold Club Cards and Printers
- Brick, Gentry, Bowers, Swartz & Levis, P.C. – Corporate Legal Counsel
- Deloitte Tax, LLP – Tax Preparation Services
- Global Payments Gaming Services, Inc. – Casino Guest Credit and Debit Card Services
- Global Payments Gaming Services, Inc. – Casino Guest Check Cashing/Guarantee Services
- Hasler, Inc. (Mail Finance) – Mailing Equipment Lease
- Horsemen's Track and Equipment, Inc. – Replace Inside Horse Track Rail
- Loeb and Loeb, LLP – Legal Counsel Specializing in IRS/Non-Profit Related Matters
- OMG/Midwest – Dirt, Sand and Paving Materials for Maintenance
- Sink Paper and Packaging – Food and Beverage; Paper Supplies

- Underground Company – Track Drainage Repair Contractor

Hearing no comments or questions concerning the contracts, Chair Arnold requested a motion. Commissioner Heinrich moved to approve the contracts as submitted by PMR&C. Commissioner Kramer seconded the motion, which carried unanimously.

Chair Arnold moved to the hearing for DRA for a violation of Iowa Code 99F.4(22) (Self-Exclusion) and called on Mr. Ohorilko. Mr. Ohorilko advised DRA and Commission staff have entered into a proposed Stipulated Agreement. Mr. Ohorilko stated a patron signed up to participate in the program in February 2006. On June 11, 2016, the individual entered Mystique Casino, played a slot machine and hit a taxable jackpot. The facility paid the jackpot to the individual, who then left the facility, triggering the referral to the Commission. During the evening audit, Mystique staff caught the error and self-reported the incident to the Commission. The facility has agreed to an administrative penalty between \$3,000 and \$20,000. Mr. Ohorilko indicated this is the first offense in 365 days.

Mr. Avilés stated this case was the result of employee error; the employee checked the box indicating the self-excluded database had been checked. Upon review of the surveillance tapes, it was determined that he had not done so. Mr. Avilés advised that corrective measures have been put in place requiring the cashier and supervisor to verify documentation to help prevent this from occurring in the future.

Hearing no comments or questions concerning the proposed Stipulated Agreement, Chair Arnold requested a motion. Commissioner Lamberti moved to approve the Stipulated Agreement with an administrative penalty of \$3,000. Commissioner Heinrich seconded the motion, which carried unanimously.

Chair Arnold moved to the hardship claims before the Commission as a result of the cessation of greyhound racing, and called on John Cummins. Randy Waagmeester, legal counsel, was present on behalf of Mr. Cummins, who lives near Boston, MA, and operates a business known as Equine K9 Supplies. He noted documentation provided to support Mr. Cummins' claim included a summary of sales made by the company since the inception of the business in 2011, and Schedule C income information for each year of business. Mr. Waagmeester stated Equine K9 Supplies is a one-person operation and sells supplies to dog kennels. A large portion of the company's sales were to kennels racing at Bluffs Run. Mr. Waagmeester stated Mr. Cummins told him that prior to starting this business he had experience as a dog trainer.

He indicated the business was growing at a steady pace, and the cessation of greyhound racing at Bluffs Run was a financial wallop to the business. Mr. Waagmeester stated Mr. Cummins had submitted his claim to help him through the loss of income and business. Mr. Waagmeester walked the Commissioners through a folder of additional financial information for Equine K9 Supplies. He stated that approximately 41% of the sales for the company were attributable to kennels at Bluffs Run, as well as about one-half of all sales in 2015. Mr. Waagmeester stated Equine K9 was requesting a one-time payment of \$100,000. He stated Mr. Cummins is not in a position to try and sell the business due to the decline in sales.

Commissioner Lamberti stated his review of the financial information provided by Commission staff shows that everything is consistent, but the net profit of the business over the four-year period has averaged approximately \$2,700 per year. Mr. Waagmeester indicated he could not answer; that the Commission had more information on that matter than he did.

Hearing no further comments or questions, Chair Arnold stated he concurred with Commissioner Lamberti's comments. He agreed there was a business loss; however, the hardship rule is not intended to make a business whole, and the profit shown by this business appears to be minimal, and even showed a loss one year. Chair Arnold noted Mr. Cummins is a career electrician, and the Commission feels he has ample opportunity to replace a good portion of this income. Chair Arnold stated the Commission does not feel there is a hardship, and moved to deny the claim. Commissioner Lamberti seconded the motion, which carried unanimously.

Chair Arnold called on Rory DeSantiago. Mr. DeSantiago thanked the Commission for allowing him to present his claim.

Commissioner Lamberti asked Mr. DeSantiago if the Commission were to find a hardship occurred if it would impact his ability to receive disability payments. Mr. DeSantiago indicated he did not know, and stated he has received some funds. Commissioner Lamberti noted Bluffs Run had offered him a position, and after working in the position for a short time, both parties determined it was not a good fit for him. Mr. DeSantiago concurred, noting he has now been offered another position in the Count Room at Harrah's and it is going well. He stated it is a new position for him, and pays considerably less than he was making as the Director of Racing at Bluffs Run, but has been happy with the position. Mr. DeSantiago stated his supervisor, the general manager and human resources staff feel everything is going well.

Commissioner Lamberti noted the Commission is dealing with a unique set of facts in trying to meet what the intent of the hardship fund was, noting the Commission has some discretion to determine when a hardship exists. He stated it is clear Mr. DeSantiago's brain injury is not related to the closing of the racetrack in terms of the loss; however, in looking at the totality of circumstances, everyone is in agreement that if that job was available, he would be able to perform the job despite the brain injury. Commissioner Lamberti stated Mr. DeSantiago attempted to find another position, one that didn't work out, but encouraged him to continue to seek another position. Commissioner Lamberti stated the situation is so unique, but for the closing of the facility, he would still have a job that he was capable of performing. He stated his belief that a hardship does exist, and made a motion to award Mr. DeSantiago \$80,000. Commissioner Heinrich seconded the motion, which carried unanimously.

Chair Arnold called on James Hummel. Mr. Hummel stated he was employed by United Tote to provide totalizator services for the racetrack for 29 years. There were no other openings within the company when Bluffs Run closed, and he was terminated. He was rehired on a part-time, on-call basis in February of this year. He has worked two different meets for a total of ten days since being rehired.

Commissioner Lamberti asked Mr. Hummel if he received a severance package. Mr. Hummel answered in the affirmative. Commissioner Lamberti stated his five-year average salary was approximately \$50,000, and the severance package was approximately one-half that amount. Mr. Hummel answered in the affirmative. Commissioner Lamberti asked Mr. Hummel if he was currently employed. Mr. Hummel stated his work with United Tote is part-time; he just finished a job in Montana, and there are no other job opportunities with them for the remainder of the year.

Commissioner Lamberti stated that in looking at the totality of the situation, the job was eliminated when the racetrack ceased operations; and Commission staff confirmed there was no other position readily available within the company. Noting Mr. Hummel has the ability to seek other employment, and taking the severance package into account, Commissioner Lamberti stated he believes a hardship does exist and moved to award Mr. Hummel \$25,000. Commissioner Kramer seconded the motion, which carried unanimously.

Chair Arnold called on John and Gail Shook. Ms. Shook stated she had been in the greyhound business for 25 years. She stated in 2011 their greyhound farm in Council Bluffs was flooded, requiring them to move 180 dogs to various locations. When the water receded, the farm, which was within city limits, was destroyed. Due to changes in zoning regulations, they were denied permits to rebuild on the property. Due to this series of events, they quit breeding greyhounds for over a year as they did not know where they would end up. Ms. Shook stated the city bought their property, but for less than the appraised value. They eventually purchased a farm in Mills County. Ms. Shook stated since she was not breeding dogs, she did not have greyhounds racing at the track, which impacted their income, and will impact the amount of money they will receive from the cessation fund. The funds they receive from the fund will also be based on the number of greyhounds produced, and since they didn't breed for a year, those numbers will be down as well. Ms. Shook noted they had to make improvements to the property in Mills County so they could raise and breed greyhounds.

Chair Arnold advised the Commission had reviewed the provided information and believes there has been a hardship but does not feel it was caused by the cessation of greyhound racing, rather the flood. He noted Ms. Shook would receive funds from the cessation fund starting in 2017. Chair Arnold moved to deny the claim. Commissioner Lamberti seconded the motion, which carried unanimously.

Chair Arnold called on Sherry Standley. Ms. Standley stated she was employed as a mutual teller from 2005 through closing day, but worked several positions at Bluffs Run beginning in 1995. She cares for a disabled husband. She advised she was offered a position, but the hours were not when someone would be available to care for her husband. She indicated she has been receiving unemployment. While she has been seeking employment, she has only had one interview and two phone interviews.

Commissioner Lamberti asked Ms. Standley what hours she worked prior to the closing. Ms. Standley stated she worked from 10:30 AM to 7:00 PM or 11:00 AM to 7:00 PM. He asked

what the hours were for the position she was offered. Ms. Standley stated she would have been working until 10:00 at night, or the graveyard shift.

Chair Arnold clarified that she had been offered a position, but declined it. Ms. Standley indicated that was correct as she could not find anyone to come in and care for her husband during those hours.

Chair Arnold stated the Commission has reviewed the submitted materials and found she had been offered a position which she elected not to take. Chair Arnold made a motion to deny Ms. Standley's hardship claim. Commissioner Kramer seconded the motion, which carried unanimously.

As there was no Public Comment or Administrative Business to come before the Commission, Chair Arnold requested a motion to adjourn. Commissioner Lamberti so moved. Commissioner Kramer seconded the motion, which carried unanimously.

MINUTES TAKEN BY:

JULIE D. HERRICK